

"We sell pepperoni breadsticks — an order of four [\$2.55 including a choice of two dips: tomato sauce or the heavily popular Cheddar cheese]. We also offer plain breadsticks on request, but our pepperoni breadsticks are a great selling item."

The pepperoni breadsticks are labor-intensive, notes Freeland, who then explains how they are made: "Roll out the dough and cut it in about 10 to 12 pieces and deal out the pepperoni like playing cards. Fold it over, roll it and put it on a tray. We put an egg wash on it to make it look pretty and crisp, and sprinkle a little fresh garlic over the top. We bake it for about seven or eight minutes."

Low Turnover

"In management we have a very low turnover," says Freeland, "one of the lowest, I think, of any company."

"We have a program of a base salary, with incentives," adds Di Mizio. "Not only do we offer medical insurance and benefits, we make them partners in the success of that particular store. We monitor the variables on a regular basis to keep the food cost and payroll in line. The manager who keeps these under control and shows an increase in sales receives a bonus."

"We also send our regional managers out to monitor the stores to see that the quality is there and the stores' cleanliness and appearance are maintained." Good managers then receive recognition and incentives for their efforts.

In some stores, the manager operates under a management agreement whereby he is in business for himself with a management fee paid to Luca Piza. Managers focus on the restaurant end of the operation, and the corporate office provides all the accounting services for each location. The managers are responsible for contacting the office with their sales figures and payroll and sending in all their accounts payable. The corporate office then processes all their bookkeeping needs.

The Luca store managers do the hiring of their own employees. "On occasion, potential employees are loaned through the office and are directed to various locations," notes Freeland. "Many times, advancement comes whereby the

assistant manager is offered a position as manager at another location.

"When we hire," continues Freeland, "we do so largely upon their personality. If they have the greatest resume in the world, but they have a very flat personality, then we are unable to use them. In this business, personality has a lot to do with attracting customers."

Long-Distance Plans

As for immediate plans, Di Mizio says, "I am in contact with several landlords and mall management companies. We receive requests to go to different states. We will consider going anywhere in the United States. To date, we cover an area from El Paso, Texas, to Glen Allen (Richmond), Virginia."

"We take opportunities as they come. In the last few years, we've added a stand-alone restaurant, and one on the IUPUI campus here in Indianapolis."

Notes Freeland, "We need stronger managers with more experience and maturity the farther away the location. Strong managers don't need as much attention."

Luca is also making plans to start a pasta shop. The first one is scheduled to open along with a pizza shop in September in South Bend, Indiana. The company will locate them together in a mall there. "We believe we can be successful in areas other than pizza if there is an opportunity to come up with a good quality, homemade pasta. It helps to offer a choice," explains Di Mizio.

Another concept the Luca chain is considering, according to Freeland, is a

more upscale restaurant in a mall with appetizers and servers, 4,000 square feet, and a wood-fired oven.

"And there is the Amoco outlet," continues Freeland. "We are opening a Luca Piza in an Amoco station in a great, fast-growing area. It's experimental, but we've seen other fast-food businesses in this market."

The chain does little advertising outside the mall-required advertising. The present efforts are confined to coupon booklets, direct mail coupons, radio spots — all with success. Newspaper inserts were a disappointment and not worth the investment. "The majority of our customers know us when they come to the malls to shop and are not coupon savers," notes Di Mizio. "We are in a different league from other big budget advertisers."

What Off Time?

"I am a family person," explains Di Mizio, when asked about his off time. "I have two beautiful kids. An 8-year-old, Heather, and a 6-year-old, Joseph. My wife, Jessica, and I are very happy and like to do things together. Lately, we've been going to basketball games to see the Pacers [Indiana's NBA professional team]."

Di Mizio also plays tennis and soccer. "Until recently, I was playing first division in Indianapolis as a soccer player. Everyone in Italy plays soccer."

A graduate from Restaurant and Hotel Management School, Luca's director of operations, Scott Freeland, has attended two flight academies where he re-



Even though store managers hire their own employees, Luca's management places great emphasis on personality over experience. "In this business, personality has a lot to do with attracting customers," notes Freeland.

